<u>REMARKS</u>

The following remarks are responsive to all the points of rejections raised by the Examiner in the final Office Action dated September 23, 2003. Upon entry of this Response, claims 1-19 are pending in the application. No amendment has been made to the claims. Entry and consideration of the Response is respectfully requested.

Response To Rejections Under 35 U.S.C. § 103:

In the Office Action, claims 1-4, 7-10 and 13-19 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Clapp (U.S. Pat. No. 6,073,192, hereafter Clapp) in view of Rodriguez et al. (U.S. Pat. No. 5,999,207, hereafter Rodriguez). Claims 5-6 and 11-12 stand rejected under 35 U.S.C § 103(a) as being unpatentable over Clapp in view of Rodriguez, and further in view of Kato et al. (U.S. Pat. No. 5,898,824, hereafter Kato). Applicant respectfully traverses the rejections for the following reasons.

In the Office Action, the Examiner relies on the combination of Clapp, Rodriguez and Kato to render obvious all the pending claims. Applicant respectfully submits that Clapp, Rodriguez and Kato, either individually or in combinations, fail to teach or suggest at least "means for automatically selecting between a first operation mode and a second operation mode," as recited in claims 1, 7, and 13-19 of the present invention.

The present invention is directed to an apparatus, method and computer program product that can communicate video and audio data to terminal devices. In pertinent part, the present invention includes a mode selecting means that is able to automatically select between different modes of operation (i.e., DVC and STB modes). The selection between these

different modes of operation is achieved by using application software. For example, when the DVC software is started, a request for changing to the DVC mode is automatically issued. Once operating in the DVC mode, a user can change modes by making the appropriate selection to end operation in that mode. The application software will then issue a request for changing to the STB mode. Upon receipt of the change request, the DVC mode task withdraws from the normal DVC mode and sends a mode change request command to the system control circuit. The computer is then changed to operate as an STB input terminal. In the Office Action, the Examiner suggests that Clapp at Col. 7, lines 17-49 teaches or suggests the claimed "mode selection means" described above. Applicant respectfully disagrees for at least two reasons. First, in Clapp, the stand-alone mode of operation requires significant manual action i.e., attachment of audio/visual signal source devices 80, 78 to the audio and video input jacks 162, 152 of the input interface panel 150; connection of an external monitor 76 to the video output jack 124; and connection of a standard or digital telephone line to the communication channel interface panel 170. Second, although Clapp discloses that the video conference system can be enhanced by coupling the system to a computer, there is no mention of whether the system can be automatically switch back and forth between the different modes.

Rodriguez and Kato do not overcome the deficiencies noted above in Clapp thus the above rejections should be withdrawn. Moreover, neither Clapp, Rodriguez nor Kato teach or suggest the "mode selection (switching) based on the control means" as disclosed in the present invention.

Accordingly, claims 1, 7 and 13-19 are believed to be distinguishable over the prior art of record, viewed individually or in combination. Likewise, claims 2-6 and 8-12 are also believed to be distinguishable over the prior art of record based on their dependency from claims 1 and 7, respectively.

CONCLUSION

In view of the above remarks and arguments, Applicant respectfully submits that all of the stated grounds of rejections have been properly traversed, accommodated or rendered moot. Thus, Applicant believes that all of the pending claims are patentable over the prior art of record, and the present application is now in condition for allowance.

AUTHORIZATION

A check for \$110.00 is enclosed to cover the fees for a one-month extension of time. The Commissioner is also authorized to charge any additional fees which may be required for this response or credit any overpayment to Deposit Account 13-4503, Order No. 1232-4681.

Respectfully submitted, MORGAN & FINNEGAN, L.L.P.

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